

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT:-

THE HONOURABLE THE CHIEF JUSTICE MR.H.L.DATTU  
&  
THE HONOURABLE MR. JUSTICE K.T.SANKARAN

FRIDAY, THE 5TH OCTOBER 2007 / 13TH ASWINA 1929

W.P.(C).No.26069 of 2007(S)

PETITIONER:-

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V.N.RAVI NAMBOOTHIRI,  
AGED 59 YEARS,  
S/O.NARAYANAN NAMBOOTHIRI,  
VYPPAN MANA,  
NEAR KUTTAMATH TEMPLE,  
P.O.CHERUVATHUR,  
KASARAGOD DISTRICT.

BY ADV. SRI.T.K.VIPINDAS

RESPONDENTS:-

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1. UNION OF INDIA REPRESENTED BY SECRETARY,  
MINISTRY OF FINANCE,  
NEW DELHI-1.

2. THE GOVERNOR,  
RESERVE BANK OF INDIA,  
MUMBAI.

3. THE REGIONAL OFFICER,  
RESERVE BANK OF INDIA,  
KALOOR,  
KOCHI-17.

4. THE CHAIRMAN AND MANAGING DIRECTOR,  
SYNDICATE BANK,  
MANIPAL, KARNATAKA STATE.

5. CHAIRMAN,  
NORTH MALABAR GRAMIN BANK,  
HEAD OFFICE NMGB TOWERS,  
PALLIKUNNU, KANNUR-4.

R1 BY ASSISTANT SOLICITOR GENERAL OF INDIA SRI.P.PARAMESWARAN NAIR.

R3 BY STANDING COUNSEL SRI.P.JACOB VARHGESE

R5 BY ADV.SRI.DEVAN RAMACHANDRAN.

ADV.SRI.R.S.KALKURA

ADV.SRI.K.M.ANEESH

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION  
ON 05/10/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:-

**H.L.Dattu,C.J. & K.T.Sankaran,J.**

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**W.P.(C).No.26069 of 2007-S**  
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Dated, this the 5<sup>th</sup> day of October, 2007

**JUDGMENT**

**H.L.Dattu,C.J.**

Sri.P.Prameswaran Nair, Assistant Solicitor General of India is directed to take notice for respondent No.1. Sri.P.Jacob Varghese, Standing Counsel for Reserve Bank of India is directed to take notice for 3<sup>rd</sup> respondent. Sri.Devan Ramachandran takes notice for respondent No.5.

(2) The petitioner is a public spirited citizen. He is before this Court for the following reliefs:

“(i) Issue a writ in the nature of Mandamus or any appropriate order or direction directing the 2<sup>nd</sup> respondent to conduct an enquiry by competent authority into the alleged and illegal activities of the North Malabar Gramin Bank.

(ii) Issue a Writ in the nature of mandamus or any appropriate order or direction directing the Respondents 2 to 4 to initiate action against the officials who are found guilty in enquiry investigation.

(iii) Issue a Writ in the nature of mandamus or any appropriate order or direction directing the 2<sup>nd</sup> and 3<sup>rd</sup> respondents to conduct an enquiry into the sanctioning of overdraft loan for Rs.3 crores without adhering to the circulars and guidelines issued by RBI.

(iv) Issue a Writ in the nature of mandamus or any appropriate order or direction directing the 2<sup>nd</sup> respondent to cancel the license of branches of North Malabar Gramin bank, which are involved in such illegal activities.

(v) Issue a Writ in the nature of mandamus or any appropriate order or direction directing the 4<sup>th</sup> respondent to compensate the pecuniary loss suffered by the customers, who have paid the daily collection to the agents of the North Malabar Gramin Bank for period of 2006-2007.

(vi) Issue a Writ in the nature of mandamus or any appropriate order or direction directing the 4<sup>th</sup> respondent to

cancel the contract between the bank and the collection agents who are involved in the cheating of customers”.

(3) The primary grievance of the petitioner is with regard to the malfunctioning of the 5<sup>th</sup> respondent Gramin Bank. Petitioner has already made some complaints before the Reserve Bank of India, bringing to their notice the so-called malfunctioning of the Gramin Bank. The Reserve Bank by its letter dated 30<sup>th</sup> August, 2007 has informed the petitioner that necessary enquiries have been conducted and appropriate follow up action would be taken. The letter of the Reserve Bank of India reads as under:

“We advise that we have conducted an enquiry into the affairs of North Malabar Gramin Bank in connection with the Vyrjathan Easwaran Chitty and appropriate follow-up action is being taken”.

(4) In view of the communication of the Reserve Bank of India to the petitioner, in our opinion, at this stage we need not have issued any direction to the respondents. It is suffice to observe that the Reserve Bank of India would expedite the enquiry and pass appropriate orders within a reasonable time.

Ordered accordingly.

H.L.Dattu  
Chief Justice

K.T.Sankaran  
Judge

vku/-